

Department of Correction

**For the Years Ended
June 30, 2000, and June 30, 1999**

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STATE OF TENNESSEE
COMPTROLLER OF THE TREASURY

State Capitol
Nashville, Tennessee 37243-0260
(615) 741-2501

John G. Morgan
Comptroller

April 23, 2002

The Honorable Don Sundquist, Governor
and

Members of the General Assembly
State Capitol
Nashville, Tennessee 37243

and

The Honorable Donal Campbell, Commissioner
Department of Correction
Fourth Floor, Rachel Jackson Building
Nashville, Tennessee 37243

Ladies and Gentlemen:

Transmitted herewith is the financial and compliance audit of the Department of Correction for the years ended June 30, 2000, and June 30, 1999.

The review of management's controls and compliance with policies, procedures, laws, and regulations resulted in a finding which is detailed in the Objectives, Methodologies, and Conclusions section of this report.

Sincerely,

John G. Morgan
Comptroller of the Treasury

JGM/cj
01/076



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COMPTROLLER OF THE TREASURY
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June 4, 2001

The Honorable John G. Morgan
Comptroller of the Treasury
State Capitol
Nashville, Tennessee 37243

Dear Mr. Morgan:

We have conducted a financial and compliance audit of selected programs and activities of the Department of Correction for the years ended June 30, 2000, and June 30, 1999.

We conducted our audit in accordance with government auditing standards generally accepted in the United States of America. These standards require that we obtain an understanding of management controls relevant to the audit and that we design the audit to provide reasonable assurance of the Department of Correction's compliance with the provisions of policies, procedures, laws, and regulations significant to the audit. Management of the Department of Correction is responsible for establishing and maintaining internal control and for complying with applicable laws and regulations.

Our audit disclosed a finding, which is detailed in the Objectives, Methodologies, and Conclusions section of this report. The department's administration has responded to the audit finding; we have included the response following the finding. We will follow up the audit to examine the application of the procedures instituted because of the audit finding.

We have reported other less significant matters involving the department's internal controls and/or instances of noncompliance to the Department of Correction's management in a separate letter.

Sincerely,

Arthur A. Hayes, Jr., CPA,
Director

AAH/cj

State of Tennessee

Audit Highlights

Comptroller of the Treasury

Division of State Audit

Financial and Compliance Audit
Department of Correction
For the Years Ended June 30, 2000, and June 30, 1999

AUDIT SCOPE

We have audited the Department of Correction for the period July 1, 1998, through June 30, 2000. Our audit scope included a review of management's controls and compliance with policies, procedures, laws, and regulations in the areas of Internal Audit, inventories, Riverbend petty cash, contracts with counties, equipment of consolidated facilities, the Inmate Trust Fund Account, and the Tennessee Offender Management Information System; and compliance with the Financial Integrity Act. The audit was conducted in accordance with government auditing standards generally accepted in the United States of America.

AUDIT FINDING

Policies and Procedures, Operating Controls, and Training for the Tennessee Offender Management Information System Are Inadequate

The Tennessee Offender Management Information System (TOMIS) is an on-line, interactive, table-driven application consisting of more than 1,300 programs used by the department to capture data relating to offenders from the point of conviction to release from all supervision. The department does not have adequate written policies and procedures, operating controls, and TOMIS training for departmental users (page 9).

"Audit Highlights" is a summary of the audit report. To obtain the complete audit report, which contains all findings, recommendations, and management comments, please contact

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Audit Report
Department of Correction
For the Years Ended June 30, 2000, and June 30, 1999

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Department of Correction

For the Years Ended June 30, 2000, and June 30, 1999

INTRODUCTION

POST-AUDIT AUTHORITY

This is the report on the financial and compliance audit of the Department of Correction. The audit was conducted pursuant to Section 4-3-304, *Tennessee Code Annotated*, which authorizes the Department of Audit to “perform currently a post-audit of all accounts and other financial records of the state government, and of any department, institution, office, or agency thereof in accordance with generally accepted auditing standards and in accordance with such procedures as may be established by the comptroller.”

Section 8-4-109, *Tennessee Code Annotated*, authorizes the Comptroller of the Treasury to audit any books and records of any governmental entity that handles public funds when the Comptroller considers an audit to be necessary or appropriate.

BACKGROUND

The mission of the Department of Correction is to ensure the safety of the public through supervision of convicted felons, utilizing correctional practices that contribute to the effectiveness of the criminal justice system at the most efficient cost to the taxpayer.

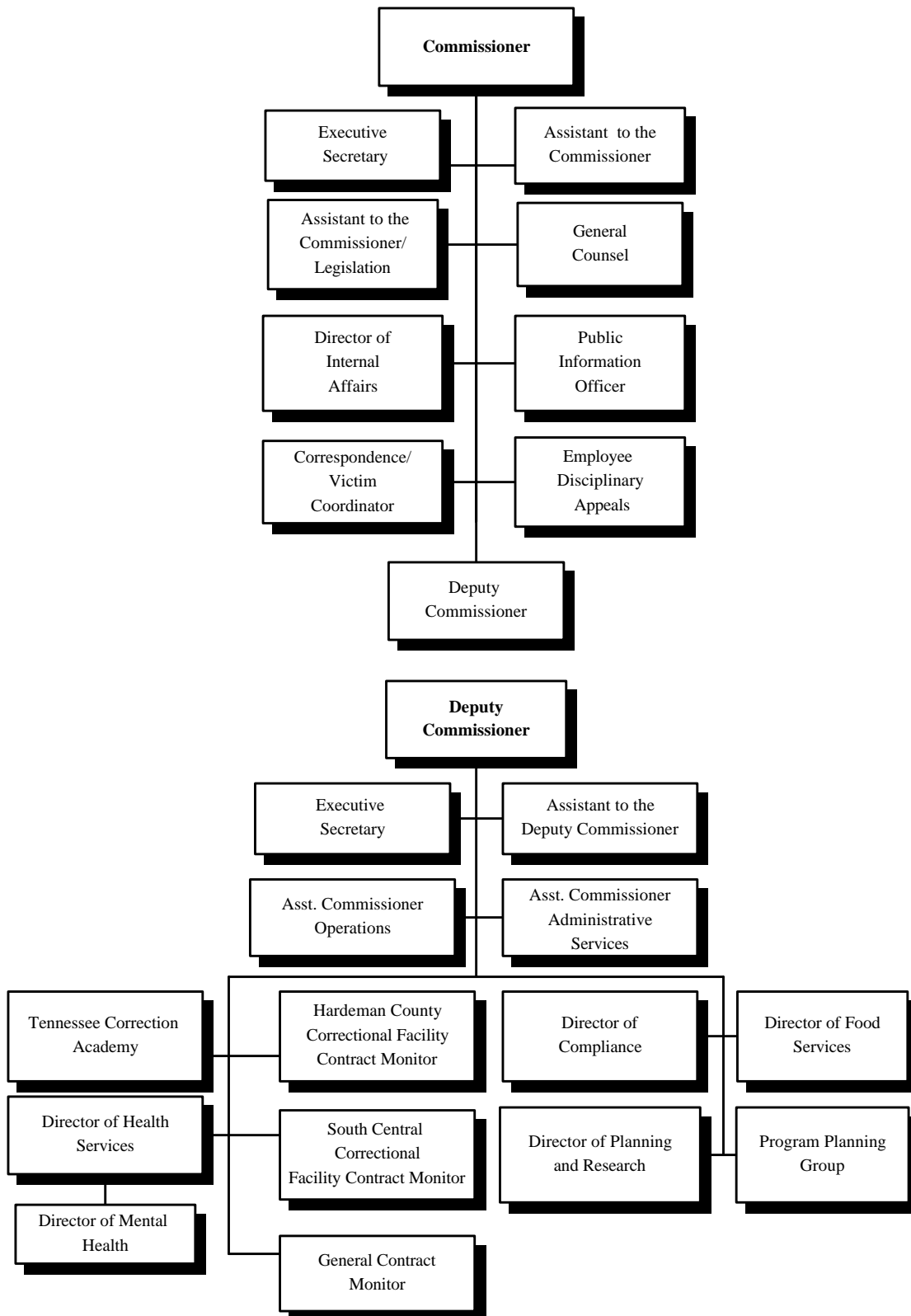
The Public Acts of 1999 separated Tennessee Rehabilitative Initiative in Correction (TRICOR) administratively from the Department of Correction, effective July 1, 1999.

An organization chart of the department is on the following page.

AUDIT SCOPE

We have audited the Department of Correction for the period July 1, 1998, through June 30, 2000. Our audit scope included a review of management’s controls and compliance with policies, procedures, laws, and regulations in the areas of Internal Audit, inventories, Riverbend petty cash, contracts with counties, equipment of consolidated facilities, the Inmate Trust Fund Account, and the Tennessee Offender Management Information System; and compliance with the Financial Integrity Act.

Tennessee Department of Correction



The audit was conducted in accordance with government auditing standards generally accepted in the United States of America.

PRIOR AUDIT FINDINGS

Section 8-4-109, *Tennessee Code Annotated*, requires that each state department, agency, or institution report to the Comptroller of the Treasury the action taken to implement the recommendations in the prior audit report. The Department of Correction filed its report with the Department of Audit on August 17, 2000. Follow-up on findings in the prior audit related to the Tennessee Rehabilitative Initiative in Correction (TRICOR) was conducted as part of the audit of TRICOR for the years ended June 30, 2000, and June 30, 1999. Follow-up of the remaining prior audit findings was conducted as part of this audit.

RESOLVED AUDIT FINDINGS

The current audit disclosed that the Department of Correction has corrected previous audit findings concerning the inconsistent implementation of adequate controls over the perpetual inventory record-keeping system; noncompliance with the documentation requirements of the approved maintenance benefits housing policy; the failure to report possible malfeasance and resolution of investigations to the Comptroller of the Treasury; the failure to properly approve signature authorization forms; and the department's failure to submit its annual report on time.

OBJECTIVES, METHODOLOGIES, AND CONCLUSIONS

INTERNAL AUDIT

The objectives of our review of the controls and procedures for Internal Audit were to determine whether

- Internal Audit was independent of the program functions of the department;
- internal auditors had the education, experience, and supervision needed for their work to be relied on by other auditors;
- the internal auditors adequately documented their work;

- all correctional institutions in Tennessee, including the Tennessee Correction Academy, were audited in the past two years; and
- Internal Audit issued audit reports in compliance with established policies and procedures.

We interviewed key Department of Correction personnel to obtain an understanding of the department's controls and procedures for Internal Audit, and we reviewed supporting documentation for these controls and procedures. We reviewed the department's organization chart and interviewed the director of compliance to determine whether Internal Audit was independent of the program functions of the department. We reviewed personnel files including supporting documentation to determine whether the internal auditors had the education and experience needed for their work to be relied on by other auditors. We also reviewed Internal Audit's working papers for evidence of adequate supervision and to determine whether auditors adequately documented their work. We obtained and reviewed a listing of all audits completed during the audit period to determine if all the correctional institutions in Tennessee, as well as the Tennessee Correction Academy, had been audited during the past two years. We reviewed all of the audit reports issued during the audit period to determine if Internal Audit issued audit reports in compliance with the established policies and procedures.

Based on our interviews, review of supporting documentation, and testwork, we determined that the internal auditors had the education, experience, and supervision needed for their work to be relied on by other auditors; the internal auditors adequately documented their work; that all correctional facilities were audited during the past two years; and that internal audit reports were issued in compliance with established policies and procedures. We also determined that Internal Audit is independent of the program functions of the department.

INVENTORIES

The primary objective of our review of inventories was to determine the status of the prior audit finding. The specific objectives of our review of the controls and procedures over the automated perpetual inventory system of the Department of Correction were to determine whether

- adequate internal controls and procedures over the automated perpetual inventory system have been implemented, and
- the automated perpetual inventory system promptly updated the inventory records for changes in physical inventory.

We interviewed key Department of Correction personnel to gain an understanding of the department's controls and procedures for the automated perpetual inventory system, and we reviewed supporting documentation for these controls and procedures.

We reviewed the working papers prepared by the Internal Audit staff during the audit period relating to their testwork on inventories. In addition, we visited one of the warehouses, observed the inventory procedures, and performed test counts for a random sample of inventory items to determine whether internal controls and procedures were adequate and whether perpetual inventory records were updated promptly.

Based on our interviews, review of supporting documentation and Internal Audit working papers, observations, and test counts, we determined that controls and procedures appear adequate, and the automated perpetual inventory system records are promptly updated for changes in physical inventory.

RIVERBEND PETTY CASH

The objectives of our review of the Department of Correction's controls and procedures for the petty cash fund at the Riverbend Maximum Security Institution were to determine whether

- adequate internal controls and procedures over the petty cash fund at the Riverbend Maximum Security Institution have been implemented;
- expenditures paid from the petty cash fund were adequately documented, and
- expenditures paid from the petty cash fund were in accordance with applicable guidelines.

We interviewed key Department of Correction personnel to gain an understanding of the department's controls and procedures for the petty cash fund at the Riverbend Maximum Security Institution and reviewed supporting documentation for these controls and procedures. We also reviewed the applicable Department of Correction and Department of Finance and Administration guidelines to determine the department's responsibilities for the petty cash fund at the Riverbend Maximum Security Institution. Checks written from the petty cash fund were reviewed for proper authorization and supporting documentation. The replenishment form and support, including copies of petty cash vouchers, procurement vouchers, and receipts, were reviewed to determine whether the expenditures were adequately documented and were in accordance with the applicable guidelines.

Based on our interviews and review of supporting documentation, we determined that controls and procedures appear adequate, and petty cash expenditures were adequately documented and were in accordance with the applicable guidelines.

CONTRACTS WITH COUNTIES

The Department of Correction routinely contracts with local governments across the state to house state inmates. The local governments provide housing, meals, and medical services for these state inmates, and the state reimburses the local government for these services.

The objectives of our review of controls and procedures over contracts with local governments for housing state inmates were to determine whether

- adequate internal controls and procedures over the contracts with local governments for housing state inmates have been implemented;
- the contracts with local governments were properly authorized in a timely manner;
- the contracts with local governments were in compliance with *Tennessee Code Annotated*, Section 41-8-106; and
- the reimbursement requests filed by the local governments were in compliance with contract requirements.

We reviewed *Tennessee Code Annotated*, Section 41-8-106, to determine the department's compliance requirements for contracts with local governments housing state inmates. We interviewed key department personnel to gain an understanding of the department's controls and procedures over contracts with local governments for housing state inmates, and we reviewed supporting documentation for these controls and procedures. A list of counties contracting with the department was obtained, and applicable contracts were reviewed to determine if the contracts were properly authorized in a timely manner and in compliance with *Tennessee Code Annotated*, Section 41-8-106. In addition, testwork was performed on a sample of payments to local governments to determine if the local governments' reimbursement requests were in compliance with the contract requirements.

Based on our interviews; review of contracts, applicable *Tennessee Code Annotated*, and supporting documentation; and testwork performed, we determined that controls and procedures over contracts with local governments for housing state inmates appear adequate; the department and the local governments were in compliance with the requirements regarding contracting and reimbursement for housing state inmates in local government facilities; and the contracts with local governments were properly authorized in a timely manner.

EQUIPMENT OF CONSOLIDATED FACILITIES

In July 1997, management of the Department of Correction decided to consolidate the administration of multiple correctional facilities located close to one another in West,

Northwest, Middle, and Northeast Tennessee. Each consolidated correctional facility continued to house inmates at the original location but integrated all administrative functions under one system with one allotment code, including the consolidation of the equipment and warehouse inventory.

The objective of our review of controls and procedures over equipment at the consolidated facilities was to determine whether the equipment was recorded on the Property of the State of Tennessee (POST) inventory system with the correct allotment codes.

We interviewed key department personnel to gain an understanding of the Department of Correction's controls and procedures for properly recording the equipment of consolidated facilities in POST, and we reviewed supporting documentation for these controls and procedures. We visited the consolidated Middle Tennessee Correctional Complex and physically selected 25 equipment items found within the complex to trace into POST to determine if the equipment was correctly recorded.

Based on our interviews, review of supporting documentation, and testwork, we determined that the equipment at consolidated facilities was correctly recorded on POST.

INMATE TRUST FUND ACCOUNT

The Inmate Trust Fund Account was established by Department of Correction Policy 208.01 to create a cashless inmate economy. This policy became effective on December 15, 1998. The policy receives its authority through *Tennessee Code Annotated*, Public Chapter 992, and the Inmate Financial Responsibility Act of 1998.

The objectives of our review of the department's controls and procedures over the Inmate Trust Fund Account were to determine whether

- the department followed appropriate written procedures for establishing and operating the Inmate Trust Fund Account, and
- the procedures were in compliance with the applicable regulations.

We interviewed key department personnel to gain an understanding of the department's controls and procedures for the Inmate Trust Fund Account, and we reviewed supporting documentation for these controls and procedures. We also obtained and reviewed the department's Policy 208.01, Public Chapter 992, and the Inmate Financial Responsibility Act of 1998 to determine whether the procedures were in compliance with the applicable regulations. In addition, the internal auditors' testwork performed on the Inmate Trust Funds at the correctional facilities for the fiscal years ending June 30, 2000, and June 30, 1999, was reviewed to determine if the department was following its written procedures.

Based on our interviews of key personnel and review of applicable laws, regulations, and Internal Audit's testwork, the department had followed appropriate written procedures for establishing and operating the Inmate Trust Fund, and the procedures were in compliance with the applicable regulations.

TENNESSEE OFFENDER MANAGEMENT INFORMATION SYSTEM

The Tennessee Offender Management Information System (TOMIS) is an on-line, interactive, table-driven application used by the Department of Correction and various law-enforcement agencies within the State of Tennessee to track offenders from the point of conviction through release from all supervision. The system addresses many aspects of an offender's life including conviction, sentencing, incarceration, offender treatment, behavior, health, finances, and services provided during parole or probation. The department's Management Information Systems division (MIS) supports the system. Resource Access Control Facility (RACF) is the statewide mainframe security software, used to provide access security at the initial level (or front-end) before the user can access department or agency systems such as TOMIS. The Department of Finance and Administration's Office of Information Resources is administratively responsible for RACF, however the Department of Correction's MIS division is responsible for establishing, maintaining, and terminating departmental users.

The objectives of our review of the procedures and controls over TOMIS were to determine whether

- MIS guidelines, rules, and procedures regarding TOMIS are adequate, operating effectively, and in compliance with the department's policy requirements for MIS;
- changes to user group attributes are properly controlled;
- TOMIS edits have accepted only allowable information;
- TOMIS edits ensure that required information is present;
- system overrides (table changes) are properly documented and approved;
- override changes to data are properly documented and authorized;
- TOMIS properly processes information;
- inmate movements are constantly tracked using TOMIS;
- adequate training is provided to TOMIS users; and
- RACF security controls are utilized to insure that system access is revoked immediately for users terminated from state employment.

We examined the MIS policies and procedures manual to determine if policies and procedures were current and in compliance with the department's policy, and reflected existing operational conditions. We interviewed key personnel, observed operations, and reviewed supporting documentation to determine if user access to TOMIS is adequately controlled and if adequate training is provided to TOMIS users. We used Audit Command Language software (ACL) to develop tests to confirm that TOMIS' system edits accept only allowable information, required information is present, information processes properly, and offenders are tracked on a continual basis. As a result of the above tests, additional inquiries were made of management regarding changes to user groups and other TOMIS tables and offender data overrides. We also used ACL to match the RACF security software report of active users with the state payroll system's terminated users report to verify that the users terminated from employment did not have active RACF user identifications.

The ACL testwork revealed that TOMIS edits operate effectively, information processes correctly, the required information was present, and offenders are tracked on a continual basis. However, as noted in the following finding, our testwork revealed inadequacies in several areas: the department's written policies and procedures; controls over RACF access; controls over TOMIS user groups, table changes, and offender data overrides; and training provided to TOMIS users.

Policies and procedures, operating controls, and training for the Tennessee Offender Management Information System are inadequate

Finding

Written Policies and Procedures

The Tennessee Offender Management Information System (TOMIS) is a computer application consisting of more than 1,300 programs. The Department of Correction is administratively responsible for the system that is used throughout the state to capture data relating to offenders. Despite the size and complexity of TOMIS, the Department of Correction does not have adequate written operating policies and procedures for the system. Department of Correction policy requires the department's Management Information Systems division (MIS) to develop and implement guidelines, rules, and procedures. Furthermore, this policy requires these guidelines, rules, and procedures to be updated every three years.

Although MIS has developed a manual, many critical access-of-system operations are not addressed. Among the many areas the MIS manual has failed to address are review and supervision of MIS staff activities, alteration of database information, and changes to system tables. In addition, the manual was not updated within the required three-year period. The manual should have been updated by May 1999, but the most recent version was not approved until April 2001. Deficiencies noted above were not addressed in the April 2001 revision of the manual.

Management is responsible for providing staff with adequate written operating policies and procedures to provide guidance to the employees. To ensure consistency in system operations, the department must thoroughly document its policies and procedures. Inadequate and outdated policies and procedures reflect a lack of action by management in meeting these responsibilities.

Operating Controls

The following operating control weaknesses were noted within TOMIS.

- Seven of ten MIS employees have unrestricted access to all TOMIS data.
- There is a lack of segregation of duties. All MIS employees perform the functions of system security, data security, data administration, and system design.
- Four MIS employees have been given security administration capabilities for both RACF (the state's mainframe security software) and TOMIS.
- MIS policy does not require standard security authorization forms for establishing new user security access. Additionally, the policy does not require authorization and documentation before changing an existing user's level of access.
- Changes to tables within the system are left to the discretion of each MIS employee, and no approval of these changes is required. Because TOMIS is a table-driven application, adequate control over changes to tables is critical.
- Various system history logs are generated to document alterations to TOMIS data and system tables. However, MIS management does not review most of the system history logs and does not document the review of any logs.
- Requests for MIS to change data within TOMIS are often made via telephone and are not documented or approved.
- MIS employees are allowed access to override the system to correct data instead of using program changes to correct existing design problems within the system. For example, MIS employees frequently change an offender's status from inactive to active to allow certain updates to the offender's data that cannot be processed if the offender's status is inactive.

Additionally, initial (or front-end) access to TOMIS is controlled by Resource Access Control Facility (RACF), the state's mainframe security software. The Department of Correction's MIS Security Administrator is responsible for establishing, maintaining, and terminating RACF access for departmental users. The Department of Correction failed to immediately revoke RACF access for 478 user identifications (ID's) for users terminated

from state employment. In addition, 42 of the 478 user ID's were used to gain system access after the assigned user's last working day.

Strong computer security controls help prevent the unauthorized access, deletion, or alteration of data. Security controls also limit a user to having system access on a "need-to-know, need-to-do" basis. Proper administrative controls assist management in maintaining the appropriate level of computer security. Without adequate controls, the integrity of the system data may be compromised, and opportunities for fraud, sabotage, and inappropriate disclosures may occur.

Training

MIS does not provide adequate TOMIS training to departmental users. Department of Correction employees throughout the state access the system to obtain and update offender information. New employees are trained to use TOMIS during their initial training period (the first two weeks of employment). This training is generalized and all new employees receive the same training regardless of their responsibilities. Without sufficient relevant training, these users are unable to effectively use the system. Consequently, MIS employees must frequently provide assistance, make corrections, and troubleshoot user problems. Adequate training would move more of this responsibility from the MIS employees to the user.

Recommendation

Management must develop and implement adequate written operating policies and procedures for MIS to ensure proper operating controls over administrative access to all components of TOMIS and its data. Additionally, management should evaluate current MIS functions and develop and implement a plan to establish proper segregation of duties within MIS. Authorized requests for current and new system access and changes to individual user groups should be obtained and retained to document approval. All requests for data changes should be documented and approved before implementation. Management should routinely review the history logs of changes to TOMIS and document the review. Management must also develop procedures to promptly notify the security administrator when a user terminates employment and to ensure that the security administrator immediately revokes the terminated user's RACF security software identification. Management must insure that RACF ID's vacated by terminated users, if re-assigned, properly reflect the identity of the newly assigned user. The department should review and evaluate the training program and develop a plan to provide adequate TOMIS training to all new and current users. Additional training on system changes should be routinely provided to all affected users, and refresher training should be available as needed.

Management's Comment

We concur in part. The department agrees with the major issues raised by the auditors and the need to research current practice concerning policy development, policy review, training and system operational controls for both necessity and quality. We partially concur with the details of the finding.

The department concurs that the policies and procedures manual that governs the use and controls for the department's information system needs further development and revision. Policies and procedures will be reviewed and updated to ensure policies are current, and that all critical areas of the operation are covered by written policies and procedures. There are over 6,000 users of the Tennessee Offenders Management Information System (TOMIS) at approximately 150 sites at various locations across the state. We concur that training needs to be reviewed for TOMIS in light of the timeliness of the training compared to the actual use and the specialized training required. An evaluation will be performed by the Tennessee Correction Academy through the Advisory Board which will include an assessment by the department's field coordinators. The department also concurs that termination or revocation of RACF access needs to be adjusted. Standard procedures will be adopted by the system administrators, and those requirements will be monitored by the department's annual inspection process beginning July 1, 2002.

The department agrees that TOMIS operating controls and system security need to be thoroughly researched related to the concerns raised by the audit report. The department does not fully agree with the details of the finding pertaining to operating controls and system security. TDOC operates a 365 day/year, 24 hour/day operation that involves thousands of users, and tens of thousands of offenders. The finding states that operating control weaknesses exist for 7 employees having unrestricted access to TOMIS, and for 4 employees having both TOMIS and RACF security administration capability. Until such time as our department is able to complete a thorough review of the audit findings and completely research appropriate levels of employee access/security administration to TOMIS, we believe that statements regarding specific numbers of employees having or not having access is premature. We agree that the review needs to take place, and a study will be conducted by the system administrators, who will compile a report of their findings including any changes that need to be made. This report will be forwarded to the department's Assistant Commissioner for Administration. Upon the Assistant Commissioner's approval, written procedures will be developed and incorporated into the department's policies and procedures.

FINANCIAL INTEGRITY ACT

Section 9-18-104, *Tennessee Code Annotated*, requires the head of each executive agency to submit a letter acknowledging responsibility for maintaining the internal control system of the agency to the Commissioner of Finance and Administration and the Comptroller of the Treasury by June 30, 1999, and each year thereafter. In addition, the head of each executive agency is also required to conduct an evaluation of the agency's

internal accounting and administrative control and submit a report by December 31, 1999, and December 31 of every fourth year thereafter.

Our objectives were to determine whether

- the department's June 30, 2000, and June 30, 1999, responsibility letters and December 31, 1999, internal accounting and administrative control report were filed in compliance with Section 9-18-104, *Tennessee Code Annotated*;
- documentation to support the department's evaluation of its internal accounting and administrative control was properly maintained;
- procedures used in compiling information for the internal accounting and administrative control report were in accordance with the guidelines prescribed under Section 9-18-103, *Tennessee Code Annotated*; and
- corrective actions have been implemented for weaknesses identified in the report.

We interviewed key employees responsible for compiling information for the internal accounting and administrative control report to gain an understanding of the department's procedures. We also reviewed the supporting documentation for these procedures. We reviewed the June 30, 2000, and June 30, 1999, responsibility letters and the December 31, 1999, internal accounting and administrative control report submitted to the Comptroller of the Treasury and to the Department of Finance and Administration to determine adherence to submission deadlines. To determine if corrective action plans had been implemented, we interviewed management and reviewed supporting documentation as considered necessary.

We determined that the Financial Integrity Act responsibility letters and internal accounting and administrative control report were submitted on time, support for the internal accounting and administrative control report was properly maintained, and procedures used were in compliance with *Tennessee Code Annotated*. Corrective action was being taken on the weaknesses noted.

OBSERVATIONS AND COMMENTS

TITLE VI OF THE CIVIL RIGHTS ACT OF 1964

Section 4-21-901, *Tennessee Code Annotated*, requires each state governmental entity subject to the requirements of Title VI of the Civil Rights Act of 1964 to submit an annual Title VI compliance report and implementation plan to the Department of Audit

by June 30, 1994, and each June 30 thereafter. The Department of Correction filed its compliance reports and implementation plans on June 29, 2000, and June 30, 1999.

Title VI of the Civil Rights Act of 1964 is a federal law. The act requires all state agencies receiving federal money to develop and implement plans to ensure that no person shall, on the grounds of race, color, or origin, be excluded from participation in, be denied the benefits of, or be subjected to discrimination under any program or activity receiving federal funds.

On October 15, 1998, the commissioner of Finance and Administration notified all cabinet officers and agency heads that the Human Rights Commission is the coordinating state agency for the monitoring and enforcement of Title VI.

A summary of the dates state agencies filed their annual Title VI compliance reports and implementation plans is presented in the special report *Submission of Title VI Implementation Plans*, issued annually by the Comptroller of the Treasury.

TITLE IX OF THE EDUCATION AMENDMENTS OF 1972

Section 4-4-123, *Tennessee Code Annotated*, requires each state governmental entity subject to the requirements of Title IX of the Education Amendments of 1972 to submit an annual Title IX compliance report and implementation plan to the Department of Audit by June 30, 1999, and each June 30 thereafter. The Department of Correction did not file its compliance report and implementation plan due June 30, 2000, in violation of this statutory requirement. However, the Department of Correction filed its compliance report and implementation plan due June 30, 1999, on June 29, 1999.

Title IX of the Education Amendments of 1972 is a federal law. The act requires all state agencies receiving federal money to develop and implement plans to ensure that no one receiving benefits under a federally funded education program and activity is discriminated against on the basis of gender. The untimely filing of the compliance report and implementation plan required by state law does not necessarily mean that the Department of Correction is not in compliance with federal law.

APPENDIX

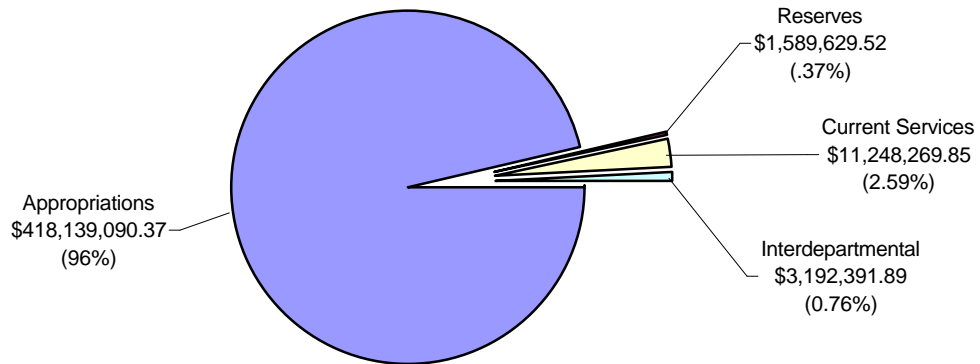
DIVISIONS AND ALLOTMENT CODES

Department of Correction divisions and allotment codes:

329.01	Administration
329.04	State Prosecutions
329.06	Tennessee Correction Academy
329.08	Wayne County Boot Camp
329.11	Brushy Mountain Correctional Complex
329.13	Tennessee Prison for Women
329.14	Turney Center Industrial Prison and Farm
329.16	Mark H. Luttrell Correctional Center
329.17	Middle Tennessee Correctional Complex
329.18	Southeastern Tennessee State Regional Correctional Facility
329.21	Hardeman County Correctional Facility
329.30	Tennessee Rehabilitative Initiative in Correction (Separated from the Department of Correction effective July 1, 1999)
329.32	Major Maintenance
329.41	West Tennessee State Penitentiary
329.42	Riverbend Maximum Security Institution
329.43	Northeast Correctional Complex
329.44	South Central Correctional Facility
329.45	Northwest Correctional Complex
329.46	Lois M. DeBerry Special Needs Facility
329.50	Sex Offender Treatment Program
329.98	Federal Construction Grants
329.99	Sentencing Act of 1985

Department of Correction Funding Sources

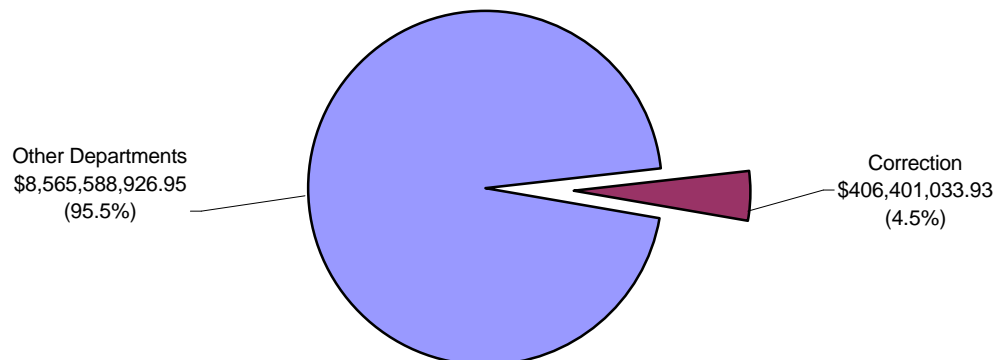
Fiscal Year Ended June 30, 2000 (Unaudited)



Source: Department of Correction

General Fund Expenditures

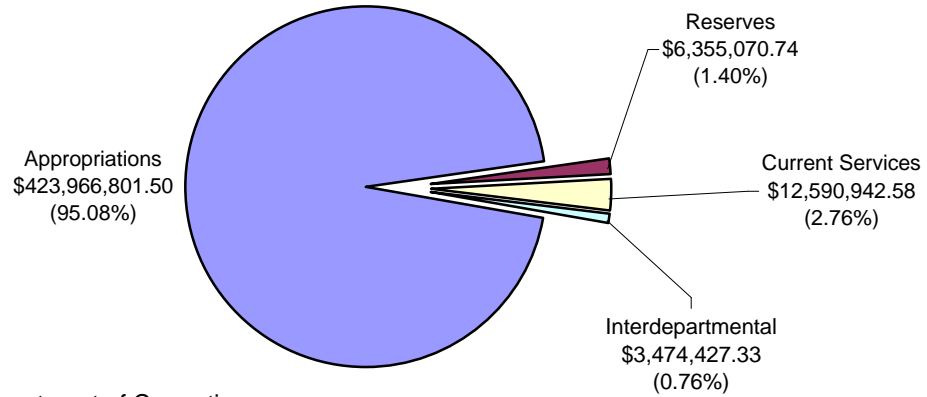
Fiscal Year Ended June 30, 2000 (Unaudited)



Source: Department of Correction

Department of Correction Funding Sources

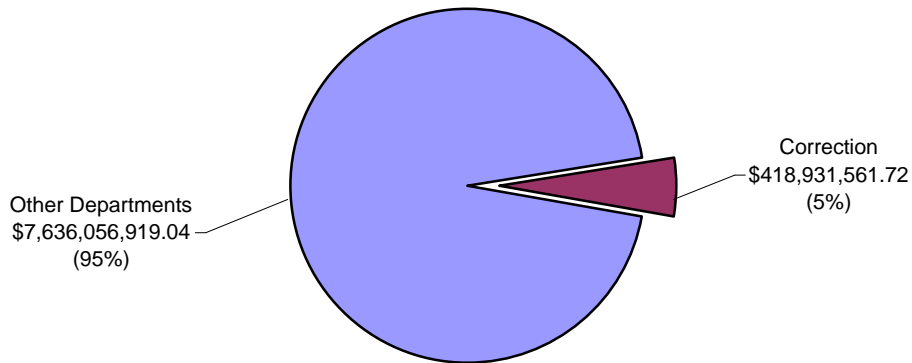
Fiscal Year Ended June 30, 1999 (Unaudited)



Source: Department of Correction

General Fund Expenditures

Fiscal Year Ended June 30, 1999 (Unaudited)



Source: Department of Correction